

SECRET**INTELLIGENCE ADVISORY COMMITTEE**

Verbatim Minutes of Meeting held in Room 7117,
Federal Works Building
on Friday, 3 December 1948 at 2:30 P. M.

Rear Admiral E. H. Hillenkotter, Director
 of Central Intelligence, in the chair

MEMBERS PRESENT

Mr. W. Park Armstrong, Special Assistant to the
 Secretary of State for Research and Intelligence
 Major General Stafford L. Davis, Director, GDS&A
 Rear Admiral Thomas B. Inglis, Chief of Naval
 Intelligence
 Colonel E. F. Harnett, acting for Director of
 Intelligence, Office of Deputy Chief of Staff,
 Operations, USAF
 Dr. Walter F. Callby, Chief, Office of Intelligence,
 Atomic Energy Commission
 Major General Walter E. Todd, Deputy Director,
 Joint Intelligence Group, JCS

ALSO PRESENT

Mr. Prescott Childs, Central Intelligence Agency
 Colonel Harriett B. Smith, Department of State
 Mr. Philip Strong, Department of State
 Lt. Col. Edgar J. Treacy, Department of the Army
 Captain John H. Palmer, USN
 Major W. C. Baird, Department of Air
 Mr. William C. Trecheart, Atomic Energy Commission
 Colonel Wendell G. Johnson, Joint Intelligence Group

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SECRETMINUTES OF IAC MEETING3 DECEMBER 1948

DIRECTOR: The paper we had on the agenda today was the Scientific Attache. You know that went around and was approved by the IAC then Mr. Forrestal disapproved it in the Security Council. We tried to get earlier a proposed directive from the Research and Development Board, but it didn't come around until the 1st of December. Copies were hand-carried to everybody. I don't know whether you have had time to consider it or not. If not, we had better leave it until the next meeting.

MR. ARMSTRONG: We are ready to discuss it.

DIRECTOR: This was made by Mr. Beckler of the Research and Development Board. He said he thought Mr. Forrestal would approve it, but did not assure us he would.

ADM. INGLIS: Did it require the approval of Mr. Forrestal only?

DIRECTOR: I don't know.

ADM. INGLIS: He only has one vote.

DIRECTOR: What are State's comments on this Proposed Directive here?

MR. ARMSTRONG: We don't find that the changes proposed are objectionable in a substantive way. In fact we don't feel they change the intent and the spirit of the Directive as it had been approved by the IAC to any considerable extent. There are one or two minor corrections that I propose for clarity, but the Department would be willing to accept the Directive as revised by the Office of the Secretary of Defense.

DIRECTOR: What are the changes? We have a few changes too.

MR. ARMSTRONG: In paragraph e, page 2, unless you read that with great care you wouldn't get the full significance of that phrase "for exchange purposes" and you wouldn't relate that to the word "unclassified." So change it to read as follows: "for the purpose of inducing exchanges with other countries."

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DIRECTOR: Yes.

MR. ARMSTRONG: That makes the word "unclassified" fall into the context, where before it is of gratuitous significance. That is the only language change we propose.

DIRECTOR: Tommy?

ADM. INGLIS: The Navy agrees in principle with the paper. We have a few editorial suggestions we would like to make eventually when we get around to it, and one which would possibly have substantive matter.

DIRECTOR: Dr. Colby?

DR. COLBY: Seems quite all right. I would say a little verbose.

DIRECTOR: Woe?

GEN. TODD: No.

COL. MURSETT: Except one thing. We understood we were to discuss this thing but not commit ourselves to the final paper.

DIRECTOR: We will have a discussion here.

GEN. IRWIN: We agree with the principle.

DIRECTOR: We agree with the principle. It seems much the same as the other one. I think they should put in mostly, it is an editorial change, I think Navy has the same thing for the last paragraph. "The National Military Establishment will assign specially qualified scientific personnel" there should be a qualifying clause in there. "As practicable," or something. You may ask them to do an impossible thing.

MR. ARMSTRONG: That is in paragraph e.

DIRECTOR: Paragraph e.

ADM. INGLIS: We have one in d and one in e and then we have a change in f. all along the same line.

DIRECTOR: That one there is saying they must do something and whether it can be done is another thing. What are your changes, Tommy?

ADM. INGLIS: In subparagraph a the sentence: "The Departments of Army, Navy, and Air Force will collect scientific and technological information" insert after "information," "including basic research when necessary." Our Office of Naval Research would like to have the right to

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collect its own information concerning basic research, where and when this agency that is being set up here is unable to satisfy our requirements, as well as the applied research. That was the reason for that. Then I had another suggestion which parallels Mr. Armstrong's in subparagraph e. Just to clarify the language by "the Department of State with available unclassified information pertaining to the basic sciences." We didn't think much of the grammar and construction of that paragraph e. "... with available unclassified information pertaining to the basic sciences," and then delete the rest, from that through the rest of the sentence.

DIRECTOR: e will read then: "The National Military Establishment shall, for the purpose of inducing exchanges with other countries, provide the Department of State with available unclassified information pertaining to the basic sciences." And then delete the rest of it?

ADM. INGLIS: Yes. And down in paragraph d after the word "will" - "or from the agencies served, other than the National Military Establishment"; after "will" insert "as practicable." "... will, as practicable, appoint specially qualified scientific or technical personnel."

DIRECTOR: I think that is a good addition there.

ADM. INGLIS: And the same thing in paragraph e. "... appropriate measures to obtain the necessary funds from the Congress and will"; then insert "as practicable," "assign specially qualified scientific" and change "or" to "and" "technical personnel." Then we had a change that might be more substantive in paragraph f. "The Department of State shall call upon agencies of the Government which require scientific or technological information for advice and assistance" and then cross out the rest and substitute "for advice and assistance as may be necessary in connection with the requirements of this directive." Now the reason, that was given to me, for that suggestion was to broaden it out beyond the advice and assistance of organizing and staffing offices in Washington and abroad. It was felt possible advice and assistance as to collection and dissemination might be helpful also.

DIRECTOR: Anybody got any comments on those changes? Park?

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MR. ARMSTRONG: I am not certain I got it.

ADM. INGLIS: The suggestion is that the entire paragraph read:

"The Department of State shall call upon agencies of the Government which require scientific or technological information for advice and assistance as may be necessary in connection with the requirements of this directive." That broadens it out rather than restricts it.

DR. COLBY: May I inquire about an early change. Technical information also includes basic science?

ADM. INGLIS: Including basic when necessary. "The Departments of Army, Navy, and Air Force will collect scientific and technological information, including basic research when necessary, to meet the requirements of the National Military Establishment."

GEN. TODD: I would like to comment on paragraph e, if I may. The closing part of that sentence seems to me should be qualified. That is, "will, as practicable, assign specially qualified scientific or technical personnel to the staffs of their respective attaches" and "at selected" or "appropriate" "United States Missions." You wouldn't want them in many countries where we do have Missions. "Selected United States Missions for this collection responsibility."

ADM. INGLIS: I certainly agree with the sense of that. It shouldn't be a requirement. How would you like "will, as practicable and necessary, assign specially qualified?" "Will, as they find practicable and necessary."

DIRECTOR: I would rather have General Todd's "selected" on that.

MR. ARMSTRONG: That ties in with paragraph b where the DDI is given the responsibility.

ADM. INGLIS: O.K.

COL. MURPHY: Who does the selecting? Each individual's responsibility?

DIRECTOR: Yes.

ADM INGLIS: "The Departments of the Army, the Navy, and the Air Force shall take measures." There too, who is going to do the selecting?

COL. MURPHY: "Appropriate" might be better.

DIRECTOR: I don't think it makes much difference.

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COL. MUSSETT: Since this is by way of a directive that they shall do so and so.

DIRECTOR: Make it "appropriate U. S. Missions."

ADM. INGLIS: Who is going to decide what is appropriate?

COL. MUSSETT: If we used your version "as practicable and necessary" it puts it on the Department concerned up here. We will put it as you suggest.

ADM. INGLIS: It is tightening it up to say "as they may find practicable and necessary."

COL. MUSSETT: It seems to make it a little plainer if you put it in up here.

ADM. INGLIS: See, you have got a subparagraph b "The Director of Central Intelligence, in collaboration with pertinent agencies, shall determine these countries."

GEN. TODD: "Such U. S. Missions as may be required for this collection responsibility." You are changing it definitely or at these U. S. Missions as required for this collection responsibility.

ADM. INGLIS: Your suggestion is after "U. S. Missions" insert "as may be required?"

GEN. TODD: "At such U. S. Missions as may be required for this collection responsibility." "as required."

DIRECTOR: Will you give us your comments, Dr. Colby?

DR. COLBY: I am worried about the comment I asked about at first. You mean on those occasions where there are no scientific attaches?

ADM. INGLIS: The idea was where the mechanism set up by this paper didn't fulfill the requirements. In my case, in the Navy, in the field of basic research that we would reserve the privilege of getting that ourselves if we couldn't get it through the machinery that there is, as necessary.

DR. COLBY: Where the machinery was not necessary, it doesn't make the collection responsibility lacking.

ADM. INGLIS: In a sense it gives a threshold area there. ^{that} It does - we might consider it wasn't satisfactory for our purposes where you or

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State Department might insist that it was.

GEN. TODD: There might be periods of time when the scientific attaches were not on station or present and wouldn't want to.

DR. COLBY: Or where they were not assigned?

ADM. INGLIS: Or where given priority to a particular field of research which overrode something we thought was of a higher priority. That was the reason for putting it in. If there is a rather serious objection from the other members of the Committee, I wouldn't want to have a split of the paper over that. It is not that important to us.

DR. COLBY: It struck me that would be occasions when basic research collection was immediately assumed by the other attaches so the other man became by-passed.

ADM. INGLIS: The thought was only that this clause would only be implemented when our requirements were not satisfied by the State Department machinery that is set up here.

DR. COLBY: There is no machinery to direct an attache, being instructed to other agencies, toward items which are being neglected; because attaches, of course, are appointed by their users.

ADM. INGLIS: He might not even be qualified in that particular field. The priority of his targets might place the priority so far down the list he wouldn't get around to doing it in time to satisfy our needs.

MR. ARMSTRONG: I presume, of course, by the preceding sentence that the Navy would ask that its requirements be satisfied only after finding that couldn't be the case.

DIRECTOR: In the following sentence there are "utilizing whenever practicable the facilities." It has a cover clause that seems to me it doesn't take anything away, but it may add to it. I mean to get a thing done. Have you any other comments?

DR. COLBY: "When requested." That means it will be requested?

DIRECTOR: No?

GEN. TODD: No.

DIRECTOR: Colonel Muesett?

COL. MUESSETT: No.

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DIRECTOR: General Irwin?

GEN. IRWIN: No.

DIRECTOR: Since this thing just came around and we know it was a very short notice for you people here in the Committee, we will now write it up and send it around for formal approval.

MR. CHILDS: And send it back to the Security Council as a substitute proposal for the other one.

DIRECTOR: I don't know what we will do if they don't approve this one.

MR. CHILDS: We shall request in a letter to Mr. Sowers that he submit it to the Security Council since it had been reconsidered by the IAC and the enclosed proposal is suggested as a substitute.

DIRECTOR: This one says practically the same thing.

ADM. INGLIS: Since the representative of the R & D Board has agreed to this one, it will be helpful.

DIRECTOR: He is going to be there. That is the last item of the formal agenda.

We have some semi-formal ones we would like to bring up. One is the meetings. We haven't had them very often and I would like to know - shall we have them at fixed times?

MR. ARMSTRONG: I think it is a good idea, Billy, even if the interval is fairly large. My experience has been that a machinery of this kind tends to get rusty and the weeds grow over it if it isn't used and there is a tendency to bring more problems before a Committee of this kind if there is a scheduled meeting.

DIRECTOR: I agree with you on that myself. Any other? The Navy?

ADM. INGLIS: I agree with Mr. Armstrong and will add another to show for the record that we are alive to our responsibilities and do meet once in awhile. If you allow five or six months in between, the record doesn't look very good.

DR. COLE: I agree.

GEN. TOWN: I agree wholeheartedly.

COL. NUSSLETT: I agree.

DIRECTOR: Every two weeks, maybe?

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ADM. INGLIS: Not less than once a month.

MR. ARMSTRONG: Yes.

DIRECTOR: Not less than once a month?

ADM. INGLIS: Regular, monthly, routine meetings, and have them in between when some matter arises which requires immediate attention.

COL. MURSETT: I would like them once a month.

DIRECTOR: The next thing is what day of the month? I would like to suggest this, it may be a help, I would like to suggest, since it is once a month, the third Friday. The Security Council has a meeting the day before and there may be things you can bring up here the next day.

GEN TODD: That is good as far as JCS is concerned.

DIRECTOR: Morning or afternoon?

MR. ARMSTRONG: It doesn't make any difference on Friday. The third Friday.

GEN. IRWIN: I would prefer the afternoons.

DIRECTOR: The third Friday of each month at this time. Sometimes, when there is a lot to be done, we can get started earlier.

COL. MURSETT: I am fairly sure I can accept that for General Gabbell.

DIRECTOR: Do we want another one this month? Let's have one, if it is agreeable, there is not much to be done but just get out in the open air. December 17 will be the next one. Unless you are otherwise notified.

Let me get your views on a subject here that has come up. Admiral Inglis and I are rather more familiar with it because it came up through the Navy. We have a letter addressed here from Commodore Greenman, Director of the Naval Petroleum Reserves. The firm is a civilian firm of [redacted] and they are making various estimates and other researches into petroleum. He wrote me that he wanted an exceptionally large report on the availability of crude oil on a world-wide basis and the information he asked me for in this letter he would turn over to this civilian firm. He asked if we would turn over to him all the Naval Attache reports on that. We wrote back that we could not supply intelligence material to any civilian firm or organization and that they could get those through the Navy. He then came over to see me about it and said his letter

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had been a little confusing and that he really didn't want Navy Attache reports alone, but our dope on crude oil reserves in the world. And I told him in that case we would give it after taking it up with the Security Council members, about it going to a civilian firm, and he assured me it had always been very discrete in its dealings. Then we sent our man over to get the details of it and Commodore Greenman came up then and said his objective was to obtain all available raw intelligence material, particularly statistics on exploration, discoveries of new fields, development and production of crude petroleum. This on a continuing basis as reports come in. Primarily MA, NA, AA, State, OO, and OSO reports. That was the first we had heard about that. I talked to Admiral Inglis about it and our opinion is that such reports should not be given to a civilian firm. We will make him up a survey on the information which we have on crude oil reserves and tell him that is our estimate. I want to get your opinion. Do you want your reports going out like that? We would much prefer not to give them. If you say give - I would like to ask Admiral Inglis to fill out on that because he was first approached on this.

ADM. INGLIS: I can't add much to what you said. What was represented to me by Commodore Greenman that they are the outstanding experts in this country and possibly in the world. They are consulting engineers on the subject of oil reserves. In fact, not only proven reserves, but unproven reserves. It was represented to me that this firm was entirely unbiased and unprejudiced. That it wasn't obligated in any way to a particular oil company. It is a high-principled firm so that we need not fear that any one company was going to obtain any unfair competition over any other firm. It was also represented as being discrete, American, patriotic citizens. And the thing that bothers me about it is that they have a reputation which probably no Government agency, even CIA, could compete with. That is, a professional reputation as consulting engineers. So I think we may have a chestnut in our hands that is going to have to be cracked along that line. A case will be made if we refuse to give these reports over. We can't hope to be able to evaluate them as his company could and if it would be to the advantage of the country and the departments

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interested in petroleum to allow them to do this work, as an alternative possibly the Army-Navy Petroleum Board would swallow this pill more readily if it were represented that CIA would enter directly into a contract with this company. But still CIA could not retain control of this whole proposition. Then if CIA wanted to give them five thousand dollars, or ten thousand dollars for their advice the end product is a joint effort of CIA and this very fine firm of consulting engineers without losing control of the source material. But I don't think this is a simple problem and I don't think any solution which will be entirely acceptable to you will be acceptable by the users without argument. Commodore Greenman is only acting for the Army-Navy Petroleum Board, and I might also add that Commodore Greenman told me this was initiated a year or a year and a half ago by Secretary Forrestal when he was Secretary of the Navy. So there is a little pride of authorship involved.

DIRECTOR: All I can say on that same thing is that this firm unquestionably must be very good, but if we give them all our information they can make a re-estimate and come out with a report of all the crude oil in the world. Our own people can come out with an estimate and when you are dealing with two or three hundred billion barrels, whether you are ten billion barrels off or not, or twenty billion, when you are dealing with up to two hundred billion barrels it wouldn't make much difference. When you get up there to where this thing is, like in geometry, instead of taking the circle, you use the sine of the circle. Any evaluation is going to be of not much import because both of them are going to be estimates.

GEN. TODD: If that error occurred in one particular area, it would be of considerable significance.

DIRECTOR: It may be of significance but none of us around here would ever know about it and whether it would be an exact error or not, an error that actually occurred, for the world petroleum is going to last for another 25 years.

ADM. INGLIS: I think "Wee" has a point though that the strategical importance of the area might have a great significance as compared to the

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estimated oil that is in the ground in that area. In other words, if we overestimate the oil in Venezuela, an overestimate might make a tremendous difference.

DIRECTOR: It might, but I think if he is using the same raw materials as we are it is not going to be that much greater. We take the Middle East and make an estimate from the raw material which we have, and we have a petroleum engineer fairly high in the oil business who makes an estimate. We estimate there is in that area one hundred billion barrels of oil, and this boy comes out and says you have yours way up there - there are only seventy-five billion barrels.

GEN. TODD: I was thinking of areas such as Brazil, who have been given encouragement to develop that which is believed to be there. When our estimate is wrong and Brazil goes ahead and develops it, it is expensive.

ADM. INGLIS: You might have United States capital and the Petroleum Board puts a lot of Uncle Sam's money down there. I wonder if we have all the raw material that is available. I wonder if this consulting firm has some more? I think they would say they have whether they have or not.

GEN. IRWIN: Are you going to take these people's estimates in preference to our own?

DIRECTOR: No, add them to our own. What we want to do is know whether you want us to give them your raw material reports on it.

ADM. INGLIS: I don't like to establish that precedent. Next it will be the consulting engineers in chemistry or biology that are going to demand the same thing.

GEN. TODD: Would it be practicable for them to put in an integrated working group or have access to the material?

GEN. IRWIN: They could assist your evaluators.

DIRECTOR: We may be able to do that.

ADM. INGLIS: That is the idea I had.

GEN. IRWIN: I think that is a lot better.

ADM. INGLIS: As an alternative to a flat turnaround.

GEN. IRWIN: Then you feed them what you think they could use?

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ADM. INGLIS: Hilly would work with them much as you are working with

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GEN. IRWIN: They do research jobs for us. That is fair enough.

DIRECTOR: I prefer it much better that way. We have very good relations with a number of the big oil companies, only in the past it has worked that we wouldn't communicate what we get from one company to another. This may be one place where the slip came and you would be licked on it. We will go ahead then on that basis and suggest we hire this guy to do the research.

MR. CHILDS: He would want to keep that for his own company.

DIRECTOR: He would keep a copy of it. We can go ahead on that.

There is another proposal and this is one that touches us all very much. Admiral Inglis suggested it and it has been taken up indirectly with Admiral Somers who thinks it would be a fine idea and approved it. That is, getting a request from us to the Security Council to get out a directive that there will be no more publicity and no more talking about intelligence. The Navy sent this paper today, and we will go through it.

"The current publicity concerning intelligence is of such a character and volume as to defeat the efforts of all responsible agencies. Articles are appearing in publications which deal entirely with intelligence as a subject."

A lot of them have come out - radio shows - they come out and talk about it whether it is right or wrong. It doesn't help the country.

"Publicity concerning intelligence is definitely undesirable for many reasons, some of which are as follows:

"Basically, the success of any intelligence system depends upon effective security.

"Sources, methods, and degrees of success are highly classified and publicity of any kind pertaining thereto defeats the purposes of intelligence.

"Publicity serves to alert our potential enemies to intelligence activities and increases the difficulty of collecting information by focusing attention thereto. Favorable publicity is especially detrimental."

I think that is true.

"Failures and indiscretions in the matter of protecting intelligence can, all too easily, be paid for with American lives.

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"Although certain intelligence publicity is fictional, the connection between the fact and fiction remains and can be analyzed by trained foreign intelligence agents. Intelligence experience on the part of certain writers nullified to a major degree attempts to fictionalize, as the background of any individual unconsciously colors his statements and actions. The general public will often accept fictionalized material as being reliable and are thereby misled.

"Virtually all persons who are engaged in intelligence work have a fund of information which if organized into a narrative is valuable. This applies to unclassified as well as classified information. Those who have engaged in intelligence publicity have set a bad example for others. Consequently the value of publicity will grow."

The directive that is proposed to be sent in to the National Security Council, title, "Control of Publicity Concerning Intelligence."

"1. Any publicity concerning intelligence factual or fictional is potentially detrimental to the effectiveness of an intelligence activity and to the national security. Accordingly, the following policy of the National Security Council is announced.

- "(a) Departments and agencies of the United States Government shall not permit the disclosure for publication of any information concerning intelligence or intelligence activities.
- "(b) Departments and agencies of the United States Government shall use every effort to inform the management of all privately owned media of publicity of the danger to the National Security of any publicity concerning intelligence and shall attempt to dissuade them from permitting such publicity through their respective media."

None of us have had time to look that over. I would like to turn that over to the Committee and have them draw it up. I would like to have one thing. The heads of the departments or agencies will not permit disclosure for publication of any information, except by individuals indicated by the head of the department or agency. There may be a time when you would want to do it and that will be more acceptable if the Secretary of the Navy says I will indicate Admiral Ingles to give out information. That wouldn't do any harm. If it is agreeable we will turn this over to our working boys and let them draw something up. Maybe we can get it through, and maybe not. I don't see any harm, do you?

MR. COHEN: I agree completely that we move in that direction.

DIRECTOR: That is from the civilian standpoint.

MR. ARMSTRONG: Do we still have in force that directive of the testifying before Congressional Committees?

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DIRECTOR: Yes, each department head can give his orders like that. The Attorney General ruled on that. Each department head can forbid it; we took that up and the Attorney General said that worked for each departmental head, he didn't have to testify.

SEN. HICKS: It wasn't necessary to have a Security Council directive, but you haven't got a department.

DIRECTOR: The Congress can call on that department head and he doesn't have to testify, but as far as CIA's head is concerned, he would have to stand and go to jail. Mr. Colby will be the same way.

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